

CORRECTED FISCAL NOTE

SB 16 – HB 602

March 9, 2005

SUMMARY OF BILL: Replaces the existing requirement that a veteran have a *combat*-related cause of a 100% permanent total disability to qualify for property tax relief with a new requirement that the disability be *service*-connected.

ESTIMATED FISCAL IMPACT:

On February, 21 2005 we issued a corrected fiscal note on this bill indicating a *recurring increase in state expenditures exceeding \$5,000,000*. This estimate was based upon an average annual property tax reimbursement of \$722 per qualifying veteran and at least 7,246 new qualifying veterans as a result of the expanded definition provided by the bill. Based on more specific information obtained from the Comptroller of the Treasury and the United States Department of Veterans' Affairs, the estimated fiscal impact has been revised to reflect at least 2,595 new qualifying veterans. As a result, the estimated fiscal impact of this bill is:

(Corrected)

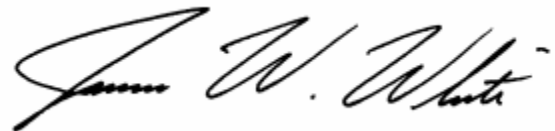
Increase State Expenditures – Exceeds \$1,800,000

Assumptions:

- At least 2,595 more veterans would qualify for property tax reimbursement.
- Average payment per applicant of \$722.
- 100% disability refers to a 100% physical disability not 100% occupational disability.
- 10% of the individuals classified as 100% disabled by the U.S. Department of Veterans Affairs are not permanently disabled.
- 75% of 100% physically disabled veterans own homes.
- One additional staff person would be required in the Office of the Comptroller to handle the administrative responsibilities related to the increase in applicants.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director